

City of Kensington

Kensington, Kansas

FINANCIAL STATEMENT AND INDEPENDENT AUDITOR'S REPORT

For the Year Ended December 31, 2012

**MAPES & MILLER
Certified Public Accountants
Phillipsburg, Kansas 67661**

CITY OF KENSINGTON
Kensington, Kansas

For the Year Ended December 31, 2012

City Council

Judy Bates
George Powell
Terry Smith

JoAnn Rice
David Wahl

Leland Rahjes, Mayor

Mary Beach
Tonja Westerman

City Clerk
City Treasurer

City of Kensington
Kensington, Kansas

For the Year Ended December 31, 2012

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INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Kensington
Kensington, Kansas 66951

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Kensington, Kansas, a Municipality, as of and for the year ended December 31, 2012 and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Kensington to meet the requirements of the State of Kansas on the financial reporting

provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Kensington, Kansas as of December 31, 2012, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Kensington, Kansas, as of December 31, 2012, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2012 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget and individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedules 1 and 2 as listed in the table of contents) are presented for analysis and are not a required part of the 2012 basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2012 basic financial statement. The 2012 information has been subjected to the auditing procedures applied in the audit of the 2012 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2012 basic financial statement or to the 2012 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Respectfully submitted,

Mapes & Miller LLP
Certified Public Accountants

August 12, 2013
Phillipsburg, Kansas

CITY OF KENSINGTON
Kensington, Kansas

Statement 1

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2012

FUNDS	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Fund							
General Operating Fund	\$ 62,542	\$ -	\$ 178,264	\$ 145,375	\$ 95,431	\$ 7,146	\$ 102,577
Special Purpose Funds							
Library Fund	560	-	6,595	7,021	134	-	134
Park & Recreation Fund	470	-	1,278	1,413	335	105	440
Special Highway Fund	2,244	-	12,215	13,200	1,259	-	1,259
Capital Improvements Fund	188,010	-	64,000	59,051	192,959	-	192,959
Business Funds							
Swimming Pool Fund	91	-	13,470	12,707	854	-	854
Water Fund	22,107	-	108,448	82,249	48,306	3,803	52,109
Sewer Fund	24,100	-	44,823	50,258	18,665	85	18,750
Solid Waste Fund	24,629	-	27,958	27,699	24,888	-	24,888
Utility Meter Deposit Fund	-	-	1,300	1,300	-	5,400	5,400
Total Financial Reporting Entity	\$ 324,753	\$ -	\$ 458,351	\$ 400,273	\$ 382,831	\$ 16,539	\$ 399,370
Composition of Cash:							
Cash on Hand							\$ 40
Checking Account							200
NOW Account							185,604
CDs							<u>213,526</u>
Total Financial Reporting Entity							\$ <u>399,370</u>

The notes to the financial statement are an integral part of this statement.

CITY OF KENSINGTON
Kensington, Kansas

NOTES TO THE FINANCIAL STATEMENT
December 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The City of Kensington, Kansas, is a municipal corporation governed by an elected mayor and an elected five member council. This financial statement presents the City of Kensington, the Municipality, and does not include its related municipal entities.

B. Regulatory Basis Fund Types

General Fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Funds - used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Business Funds - funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund etc.)

C. Regulatory Basis Of Accounting And Departure From Accounting Principles Generally Accepted In The United States Of America

The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the statutory basis of accounting.

D. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for the year ended December 31, 2012.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received, and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital projects funds, trust funds and the following:

Special Purpose Funds:
Capital Improvements Fund
Enterprise Fund:
Utility Meter Deposit Fund

Spending in funds which are not subject to the legal annual operating budget requirements is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

2. STEWARSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

- A. Fund encumbrance records were not maintained during the year ended December 31, 2012 as required by K.S.A. 10-1117.
- B. The City is not aware of any other non-compliance with Kansas statutes.

3. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located or in an adjoining County, if such an institution has been designated as an official depository and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of Credit Risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during the designated "peak periods" when required coverage is 50%. All deposits were legally secured at December 31, 2012.

At December 31, 2012, the City's carrying amount of deposits was \$399,330 and the bank balance was \$403,071. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance \$250,062 was covered by federal depository insurance, \$153,009 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

4. INTERFUND TRANSFERS

From	To	Regulatory Authority	Amount
General Operating Fund	Capital Improvements Fund	K.S.A. 12-1,118	\$ 30,000
Special Highway Fund	Capital Improvements Fund	K.S.A. 12-1,118	2,000
Sewer Fund	Capital Improvements Fund	K.S.A. 12-825d	30,000
Solid Waste Fund	Capital Improvements Fund	K.S.A. 12-825d	2,000

5. DEFINED BENEFIT PENSION PLAN

Plan description. The City of Kensington contributes to the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by Kansas law. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas, Suite 100; Topeka, KS 66603-3869) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate at 4% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. Kansas law provides that employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the contribution rates.

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post Employment Benefits

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

(b) Other Employee Benefits

Vacation and Sick Leave

The City Clerk and maintenance person receive fifteen days of vacation each year. The maintenance person receives thirty days of non-accumulative sick leave each year. Unused vacation leave and sick leave cannot be carried over to the following year unless approved by the City Council.

7. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The City has purchased commercial insurance for these potential risks.

During the year ended December 31, 2012, the City did not reduce insurance coverage from levels in place during the prior year. No settlements have exceeded coverage levels in place during the past three years.

8. LONG-TERM DEBT

Changes in long-term liabilities for the City for the year ended December 31, 2012, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Beginning Balance 1/1/2012	Additions	Reductions/ Payments	Ending Balance 12/31/2012	Interest/ Service Fees Paid
KDHE Loan	3.56%	11/27/95	<u>\$ 208,959</u>	2016	* <u>\$ 64,586</u>	<u>\$ -</u>	<u>\$ 64,586</u>	<u>\$ -</u>	<u>\$ 1,573</u>

* The City approved to pay off the remaining balance of the KDHE loan on April 10, 2012.

CITY OF KENSINGTON, KANSAS
REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2012

CITY OF KENSINGTON
Kensington, Kansas

Schedule 1

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2012

FUNDS	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Fund					
General Operating Fund	\$ 206,868	\$ -	\$ 206,868	\$ 145,375	\$ (61,493)
Special Purpose Funds					
Library Fund	7,021	-	7,021	7,021	-
Park & Recreation Fund	1,493	-	1,493	1,413	(80)
Special Highway Fund	14,698	-	14,698	13,200	(1,498)
Business Funds					
Swimming Pool Fund	12,707	-	12,707	12,707	-
Water Fund	85,431	-	85,431	82,249	(3,182)
Sewer Fund	77,779	-	77,779	50,258	(27,521)
Solid Waste Fund	46,780	-	46,780	27,699	(19,081)

CITY OF KENSINGTON
Kensington, Kansas

Schedule 2-1
Page 1 of 2

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2012

GENERAL OPERATING FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	\$ 62,088	\$ 62,781	\$ (693)
Delinquent Tax	3,463	1,200	2,263
Motor Vehicle Tax	19,149	19,708	(559)
Recreational Vehicle Tax	207	239	(32)
16/20M Vehicle Tax	359	373	(14)
Intangibles Tax	14,789	13,214	1,575
Local Alcoholic Liquor Tax	1,278	1,385	(107)
Franchise Tax	15,121	17,000	(1,879)
Licenses & Permits	227	1,000	(773)
Fines	1,714	3,500	(1,786)
Interest on Idle Funds	2,964	6,500	(3,536)
Reimbursements	6,905	15,000	(8,095)
Miscellaneous Receipts	-	3,000	(3,000)
Grants	50,000	4,800	45,200
	<u>178,264</u>	<u>\$ 149,700</u>	<u>\$ 28,564</u>
Total Receipts			
EXPENDITURES			
Personal Services	34,411	\$ 34,000	\$ 411
Law Enforcement	9,600	8,500	1,100
Insurance	20,808	19,000	1,808
Utilities	14,194	19,000	(4,806)
Utility Interest	71	-	71
Taxes	5,134	6,800	(1,666)
Attorney	1,091	1,800	(709)
Printing & Advertising	1,014	1,568	(554)
Merchandise	-	500	(500)
Swimming Pool			
Personal Services	8,448	5,900	2,548
Repairs	-	1,000	(1,000)
Chemicals	4,883	5,000	(117)
Utilities	-	3,500	(3,500)
Concessions	583	1,000	(417)
Capital Outlay	5,450	-	5,450
Miscellaneous	90	200	(110)
Red Cross Training	600	-	600

CITY OF KENSINGTON
Kensington, Kansas

Schedule 2-1
Page 2 of 2

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2012

GENERAL OPERATING FUND

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Miscellaneous Expenditures	4,957	\$ 5,000	\$ (43)
Contractual Services	470	20,000	(19,530)
Capital Outlay	3,080	50,000	(46,920)
Reimbursements	-	3,500	(3,500)
Alcoholic Beverage Control	25	-	25
NWKP	246	600	(354)
Kansas League	220	-	220
Outgoing Transfer			
Capital Improvements Fund	30,000	20,000	10,000
Total Expenditures	145,375	\$ 206,868	\$ (61,493)
Cash Receipts Over (Under) Expenditures	32,889		
UNENCUMBERED CASH, January 1, 2012	62,542		
UNENCUMBERED CASH, December 31, 2012	\$ 95,431		

CITY OF KENSINGTON
Kensington, Kansas

Schedule 2-2

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2012

LIBRARY FUND

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Ad Valorem Tax	\$ 4,754	\$ 4,857	\$ (103)
Delinquent Tax	283	50	233
Motor Vehicle Tax	1,512	1,542	(30)
Recreational Vehicle Tax	16	19	(3)
16/20M Vehicle Tax	30	29	1
	<u>6,595</u>	<u>\$ 6,497</u>	<u>\$ 98</u>
EXPENDITURES			
Appropriation to Library	<u>7,021</u>	<u>\$ 7,021</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	(426)		
UNENCUMBERED CASH, January 1, 2012	<u>560</u>		
UNENCUMBERED CASH, December 31, 2012	<u>\$ 134</u>		

CITY OF KENSINGTON
Kensington, Kansas

Schedule 2-3

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2012

PARK & RECREATION FUND

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Local Alcoholic Liquor Tax	\$ 1,278	\$ 1,385	\$ (107)
EXPENDITURES			
Contractual Services	1,413	\$ 1,493	\$ (80)
Receipts Over (Under) Expenditures	(135)		
UNENCUMBERED CASH, January 1, 2012	470		
UNENCUMBERED CASH, December 31, 2012	\$ 335		

CITY OF KENSINGTON
Kensington, Kansas

Schedule 2-4

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2012

SPECIAL HIGHWAY FUND

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Special Gasoline Tax	\$ 12,215	\$ 12,680	\$ (465)
EXPENDITURES			
Contractual Services	11,200	\$ 11,334	\$ (134)
Outgoing Transfer			
Capital Improvements Fund	<u>2,000</u>	<u>3,364</u>	<u>(1,364)</u>
Total Expenditures	<u>13,200</u>	<u>\$ 14,698</u>	<u>\$ (1,498)</u>
Receipts Over (Under) Expenditures	(985)		
UNENCUMBERED CASH, January 1, 2012	<u>2,244</u>		
UNENCUMBERED CASH, December 31, 2012	<u>\$ 1,259</u>		

**CITY OF KENSINGTON
Kensington, Kansas**

Schedule 2-5

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2012**

CAPITAL IMPROVEMENTS FUND

	<u>Actual</u>
RECEIPTS	
Incoming Transfers	
General Operating Fund	\$ 30,000
Special Highway Fund	2,000
Sewer Fund	30,000
Solid Waste	<u> 2,000</u>
Total Receipts	<u> 64,000</u>
EXPENDITURES	
Principal	58,628
Interest	393
Service Fees	<u> 30</u>
Total Expenditures	<u> 59,051</u>
Receipts Over (Under) Expenditures	4,949
UNENCUMBERED CASH, January 1, 2012	<u> 188,010</u>
UNENCUMBERED CASH, December 31, 2012	<u><u> \$ 192,959</u></u>

CITY OF KENSINGTON
Kensington, Kansas

Schedule 2-6

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2012

SWIMMING POOL FUND

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Admissions	\$ 7,068	\$ 7,000	\$ 68
Concessions	2,164	2,300	(136)
Lessons	1,059	2,500	(1,441)
Local Grants	2,700	-	2,700
Reimbursements	479	-	479
	<u>13,470</u>	<u>\$ 11,800</u>	<u>\$ 1,670</u>
EXPENDITURES			
Personal Services	6,307	\$ 7,200	\$ (893)
Utilities	2,578	800	1,778
Supplies	1,808	100	1,708
Chemicals	584	1,557	(973)
Concessions	1,033	1,100	(67)
Repairs	-	1,500	(1,500)
Red Cross Training	13	400	(387)
Miscellaneous Expenditures	384	50	334
	<u>12,707</u>	<u>\$ 12,707</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	763		
UNENCUMBERED CASH, January 1, 2012	<u>91</u>		
UNENCUMBERED CASH, December 31, 2012	<u>\$ 854</u>		

CITY OF KENSINGTON
Kensington, Kansas

Schedule 2-7

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2012

WATER FUND

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Fees Collected	\$ 108,448	\$ 71,000	\$ 37,448
EXPENDITURES			
Personal Services	22,063	\$ 19,822	\$ 2,241
Operations	60,186	51,000	9,186
Capital Outlay	-	5,431	(5,431)
Outgoing Transfers			
Capital Improvements Fund	-	5,000	(5,000)
Sewer Fund	-	4,178	(4,178)
Total Expenditures	82,249	\$ 85,431	\$ (3,182)
Receipts Over (Under) Expenditures	26,199		
UNENCUMBERED CASH, January 1, 2012	22,107		
UNENCUMBERED CASH, December 31, 2012	\$ 48,306		

CITY OF KENSINGTON
Kensington, Kansas

Schedule 2-8

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2012

SEWER FUND

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Fees Collected	\$ 44,823	\$ 47,000	\$ (2,177)
Incoming Transfer			
Water Fund	-	4,178	(4,178)
Total Receipts	<u>44,823</u>	<u>\$ 51,178</u>	<u>\$ (6,355)</u>
EXPENDITURES			
Personal Services	11,013	\$ 12,000	\$ (987)
Operations	2,137	15,000	(12,863)
Capital Outlay	-	30,337	(30,337)
Principal	5,958	12,022	(6,064)
Interest	1,069	2,039	(970)
Service Fees	81	154	(73)
Outgoing Transfer			
Capital Improvements Fund	<u>30,000</u>	<u>6,227</u>	<u>23,773</u>
Total Expenditures	<u>50,258</u>	<u>\$ 77,779</u>	<u>\$ (27,521)</u>
Receipts Over (Under) Expenditures	(5,435)		
UNENCUMBERED CASH, January 1, 2012	<u>24,100</u>		
UNENCUMBERED CASH, December 31, 2012	<u>\$ 18,665</u>		

CITY OF KENSINGTON
Kensington, Kansas

Schedule 2-9

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2012

SOLID WASTE FUND

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Fees Collected	\$ 27,958	\$ 30,000	\$ (2,042)
EXPENDITURES			
Removal of Waste	25,699	\$ 30,000	\$ (4,301)
Testing & Tipping Fees	-	8,780	(8,780)
Outgoing Transfer			
Capital Improvements Fund	<u>2,000</u>	<u>8,000</u>	<u>(6,000)</u>
Total Expenditures	<u>27,699</u>	<u>\$ 46,780</u>	<u>\$ (19,081)</u>
Receipts Over (Under) Expenditures	259		
UNENCUMBERED CASH, January 1, 2012	<u>24,629</u>		
UNENCUMBERED CASH, December 31, 2012	<u>\$ 24,888</u>		

CITY OF KENSINGTON
Kensington, Kansas

Schedule 2-10

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2012

UTILITY METER DEPOSIT FUND

	<u>Actual</u>
RECEIPTS	
Utility Deposits	<u>\$ 1,300</u>
EXPENDITURES	
Refunds	<u>1,300</u>
Receipts Over (Under) Expenditures	-
UNENCUMBERED CASH, January 1, 2012	<u>-</u>
UNENCUMBERED CASH, December 31, 2012	<u><u>\$ -</u></u>